

Mayor Frank Scotto

STATE OF THE CITY ADDRESS 2013



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Good morning everyone! On behalf of the City of Torrance and the Torrance City Council, thank you for joining me today. I am excited to recount the celebrations we've had during our centennial year, discuss where we stand in the current economy, and ultimately share the continuous growth of Torrance. Before I get started, I would like to thank my colleagues on Torrance City Council for their support, our City Manager LeRoy J. Jackson, our Assistant City Manager, Mary Giordano and City Staff. Those who helped me produce this script, Michael Smith, Jin Chun, and Jamie Le. And lastly, I would like to thank my wife Cindy Scotto. Thank you.

As we go forward today, I'd like you all to take a moment to reflect on a quote made famous by George W. Bush. "Recognizing and confronting our history is important. Transcending our history is essential. We are not limited by what we have done, or what we have left undone. We are limited only by what we are willing to do."

This past year has been remarkable. The City celebrated its 100th birthday and we look great. In fact, this time, last year we were planning our Centennial Community Parade. If you weren't able to join us, the turnout was amazing! 75 community groups participated including all 4 High School Marching Bands, local church groups, Boy and Girl Scout Troops, Homeowners Associations, and much more. The local Downtown restaurants offered "Centennial Specials," and many of the participants and parade watchers stayed to join us for the Dedication of the Centennial Plaza and Unveiling of the Centennial Time Capsule. It truly was a proud moment for me as Mayor to be standing at what was the heart of our City 100 years later and know that our future will be as vibrant as our past has been.

In October we culminated our Centennial

with a huge Birthday Bash. Live entertainment, gourmet food trucks, and softball competition were just some of the many activities that filled Wilson Park. At the end of the day we had two spectacular finales-- the release of 100 white doves and precision skydivers who parachuted through the sky proudly flying our Centennial, City, State, and Nation's flags. It was a great way to dim the spotlight that had been on our City for the past year...a great way to end one chapter, and turn over a new leaf. I would like to publicly thank Centennial Chair, Dr. Laurie Love and Vice Chair, Former Mayor Dee Hardison and the whole committee for their hard work and dedication in making it all possible.

But as we looked back on the history of Torrance, one statement always continued to ring true, "Our Roots Run Deep." Torrance began as a well-planned community with laid out industrial development offering a hometown to its workers and citizens. Since its establishment it has remained the "City with a Hometown Feel." Our industrial roots have supported the broadening of our business base as times changed. Roots anchor a tree in soil keeping it straight and stable. And much like a tree, our history, our great community, and *Our Roots* keep our City stable.

Our economic resilience is shaped by our roots. Our history of being fiscally prudent has helped us maintain our position in today's economy. The City has continued to meet the challenges of these past five years through prioritizing how we spend our money to ensure core services remain intact. I am glad to say, that we do see positive signs of recovery.

The Gross Domestic Product for the United States grew at an annual rate of 2.5% this past quarter compared to only .4% a year ago. Inflation rose at .9%, a substantial



Frank Scotto was elected to his first term on the Torrance City Council in 2000 and garnered the mayoral seat in 2006. Now serving his second term, he serves as the voting delegate to the following organizations: Southern California Association of Governments (SCAG), and the Los Angeles County Sanitation District and as chair of both State and Federal 2010 Ad Hoc Legislative Advocacy Committees. A military veteran, local business owner, and an active member in Lomita-Torrance Airport Rotary Club, having actively participated in this club for over 25 years. For over 30 years Scotto was also active in the American Youth Soccer Association serving as a coach, referee, board member and Regional Commissioner.

A native Californian, born in Riverside in 1948, Frank Scotto has lived in Torrance for over 57 years.

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slowdown from 1.6% a year ago, and consumer spending is on the rise. This is excellent news for us and our expanding retail sectors.

Unemployment rates have dropped since last year. The most recent comparable numbers from January 2013 show that Torrance, at an unemployment rate of 5.4%, continues to hold its own as compared to, the County which is at 10.4%, the State at 9.8% and the Nation at 7.9%. Employment continues to be a slow recovery but every region in California saw job growth this last year. For Torrance, employment increased 2.2% over the year in December 2012. We continue to see increases in Retail Trade employment—in fact, since 2011, Torrance has outpaced the County in Retail Trade job creation every month on a year-to-year basis. We expect this trend to continue with the redevelopment of Del Amo Fashion Center and continued retail growth elsewhere in the City such as the addition of Home Goods and Osh at the Torrance Promenade Mall. And I know that this has a lot to do with all of you -- our faithful business partners.

Business activity in 2012 showed great progress in taxable sales growth. Torrance retailers generated \$937.9 million in taxable sales during the third quarter of 2012, an 8.6% increase from the third quarter in 2011. The assessed valuation of property reflected modest growth at .5%, and over the past five years property values have grown 2.5%, we feel good about this as during this time period, a good amount of property reassessment was also occurring due to the extended economic downturn and its impact on property values. Our economic base continued to blossom in 2012 with an average of almost 170 newly licensed business per month. But I'll talk more on our blooming business activity in a little bit.

We are in good spirits about the financial future of our City's budget... Currently our budget remains balanced and we will be having our 1st budget workshop/public hearing on May 14th to plan for 2013-2015. We welcome you all to attend.

Our community partners are a large part of how strong our roots grow and how we continue to thrive. That is why I believe nurturing our community from youth until adulthood is very important. Torrance Unified School District does just that! Despite staggering budget cuts, TUSD's Academic Performance Index is at 869. It has gone up every year, even with the financial state California is in. Graduation rates are at 97% as teachers continue to do more with less. In fact, with the Nation's focus on education in Science, Technical, Engineering, and Math or now, known widely as STEM, TUSD has made a commitment to train 100,000 STEM leaders in 10 years as they were chosen as part of the 159 partners in

the nation to participate in the 100k in 10. TUSD schools are recognized California Distinguished Schools; Casimir and Richardson middle schools and West High School were the most recent additions to the list. Some of the schools have even been honored with the very prestigious National Blue Ribbon Award. I am also pleased to announce the new joint use agreement between TUSD and the City that will include all shared services and use of facilities. This is a great achievement as it will enhance available facilities for both parties.

Speaking of our youth, L.A.'s best healthcare for kids is now in Torrance, Children's Hospital Los Angeles – South Bay! Children's Hospital Los Angeles, which now offers families convenient outpatient care to a wide variety of pediatric specialists for initial evaluation and follow-up care... and they are now just a block away from Del Amo Fashion Center. They are a great addition to our current medical facilities.

In the realm of clinical expertise, Torrance Memorial is proud to be recognized by *US News & World Report* in five areas of specialization. Additionally, the Transitional Care Unit has received an overall quality rating of 5 stars -- the highest possible—from the federal centers for Medicare and Medicaid services putting it among the top 10% of nursing homes nationwide.

Torrance Memorial's New Main Tower construction project has passed the half-way point and continues to make substantial progress. Slated to open in late 2014 or early 2015, work has begun on the build-out of interior spaces. The most recent milestone in the project was the lighting of the exterior signage on Lomita Blvd. This historic occasion was marked with a small ceremony for staff, donors, physicians and volunteers.

In addition, Torrance Memorial recently launched a physician network to place additional physicians in our community to meet the requirements of health care reform planned for 2015. The Torrance Memorial Physician Network increases the number of primary care and subspecialists and closely coordinates the care of patients to better manage chronic conditions and support prevention of disease.

Also taking our healthcare to the highest quality, for the second straight year, Providence Little Company of Mary Medical Center Torrance was named one of the nation's 100 Top Hospitals by Truven Health Analytics in its annual study aimed at improving the cost and quality of health care.

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Truven's highly respected analysis, formerly known as the Thomson Reuters 100 Top Hospitals study, made the announcement this week. Providence Little Company of Mary Torrance is the only hospital in the Beach Cities Communities included in the 100 Top Hospitals. Additionally, Providence Little Company's Doak Center for Palliative Care, which provides support to over 600 cancer patients, was awarded a \$10,000 grant from the non-profit Livestrong Foundation. The donation will allow Providence Little Company to implement an advanced certification program which sets standards to improve patients' quality of life; something we find priceless in Torrance.

In order for us to provide a diverse number of programs and services to the community, I believe we utilize one of our City's greatest resources... our dedicated City Employees. With the tightening of budgets and fewer employees, our Staff has creatively and effectively continued to enhance our community, and I thank them. Our City Manager, LeRoy Jackson, who just celebrated 30 years as City Manager, continues to lead by example and develop our staff with programs to help us all succeed.

To maintain a workforce prepared to support the goals and priorities of the Community, our City Council is committed to employee training and development. Three years ago, Torrance University was founded to provide all employees with general customer service, communication, and ethics training. This last year, the program was expanded to provide Supervisory Development training to current and aspiring supervisors. The Program not only equips current supervisors with the knowledge, skills and ability to effectively serve the community, but it also prepares aspiring supervisors for future opportunities. Our Staff continue to be life-long learners, providing us with an aspect that sustains and nurtures our quality of life.

In our goal to maintain our quality of life here in Torrance, our Police Department continued its crime prevention efforts by educating our citizens and developing programs to enhance policing services. Last year, I mentioned the impact on our cities and counties due to the legislature passing AB109 inmate realignment from State to local agencies, which was signed into law in 2011 by Governor Jerry Brown. Unfortunately the impacts that we foresaw are here with cities and counties that are now responsible for incarcerating, rehabilitating, releasing and supervising low-level convicted offenders. In our response to AB109, Council added two additional Police Officers to deal with the impact that is occurring in our community. This is somewhat the tip of the problem that we foresee but Council has moved out aggressively to deal with it on a local and regional level.

Locally, in addition to the police officer positions noted, the Torrance Police Department has taken a proactive approach to ensure community safety by utilizing our three Gang Detectives to closely monitor the inmates who are released early from custody due to realignment and who are residing within the City and surrounding areas. Regionally, a Realignment Task force spear-headed by our Chief John Neu and the South Bay Chiefs of Police has been created with 12 South Bay cities joining forces to monitor these early release inmates. This regional approach is funded by the state, for which we are appreciative, and now gives our detectives the ability to work beyond city lines as they monitor early release inmates who live outside the city but may frequent the City of Torrance.

Also keeping our community safe and secure, Fire, who just celebrated their 100th anniversary, just received and placed in service a new Pierce 105-foot Aerial Ladder Truck, which will add to the community's safety for many years to come. In addition they are adding Thermal Imaging Cameras to every fire engine and truck in the City. These tools allow firefighters to locate victims quickly in fires and low-visibility conditions and will serve as the ultimate rescue aid in time of need.

As I mentioned earlier, our business community continues to bloom in our recuperating economy. Hawthorne Boulevard is looking better than ever. This past year we celebrated the opening of L.A. car GUY's brand new Audi Pacific, LEED Gold Certified Dealership on the Boulevard. It is the largest Audi showroom in the U.S. and the first to be LEED certified. We welcome Mike Sullivan, Owner of Audi Pacific and President of L.A. car Guy to our business community and value his environmental commitment.

In a continuing acknowledgement of economic growth on Hawthorne Boulevard, we were immensely pleased when the City about a proposed opening of a new Ferrari and Maserati dealership joining the dealership family in Torrance on the Boulevard. They stated they chose Torrance as the location for his proposed dealership because of its central location in the South Bay. I am glad to announce that that this dealership will be completed this Fall. Martin Chevrolet is nearing completion of its remodel and it's going to look sharp. Additionally we have two new office/retail/restaurant developments underway on the Boulevard as we speak -- Continental Development's project on the corner of Hawthorne and Lomita, with a special thanks to Richard Lundquist for his continued investment in Torrance, These developments will be signature statements for Torrance.

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Moving away from Hawthorne Boulevard, a fresh new restaurant with a backstage like atmosphere just had their Grand Opening last night! Rock & Brew has joined the Torrance community on PCH and I would like to commend them for their event last night that contributed over \$25,000 to the Torrance Ed Foundation. The addition of this new establishment has introduced 60 new full and part-time jobs for restaurant employees and dozens of construction jobs, with an average of 25 men and women contributing to construction every day. Another successful chain restaurant, Black Bear Diner has also found a home in Torrance, and Vegas Buffet is expected to open next month at the Del Amo Fashion Center.

Bubbling up in our community, Microbrews have also found a home in Torrance. A growing trend in the South Bay, we currently have 5 in town--- 4 with on site tasting rooms. As craft brews grow in demand, we hope that microbrew enthusiasts come visit the South Bay, perhaps stay in Torrance and enjoy all that we offer.

In fact, microbreweries are a great example of how our City is working for you, our business partners. The Red Car Brewery and Restaurant, which started micro brewing locally, was actually a downtown City Redevelopment Project and Business Loan. It is a handsome building reminiscent of our past and located in the heart of Torrance's 1913 original footprint.

One of our microbrewers, the Strand Brewing Company, was recently announced as one of the recipients of the Torrance Advantage Awards, our business recognition awards ceremony hosted by The Torrance Office of Economic Development. The award recognized their commitment to their craft beginning with a dream and borrowed money in 2010 and by the end of 2012 their craft beers were being sold in more than 200 locations across Los Angeles. Their success has been ours also, in addition to inspiring others including Dude's Brewing Company, which was started by Strand Brewing Company's original head brewer. Monkish Brewery opened their doors in 2012, based on Strand's success, which in turn enticed microbrewer Smog City 2013. Monkish Brewery explained to them how quick and clear our process is for opening a new business.

I feel grateful that businesses continue to come to Torrance, and with the help of our Office of Economic Development, we assist these business partners in finding a location where they can plant their own roots and grow with our City. For example, Harbor Freight joined us this past January, and has made a phenomenal start! The Torrance location has been driving sales at an incredibly strong level for the company and

with their opening hired 31 employees.

Our long-time partner, Simon Property Group, has begun the comprehensive transformational redevelopment of the Del Amo Fashion Center. Simon and Nordstrom have jointly announced that Nordstrom will be among the arrivals at The Fashion Center and is anticipating opening in 2015. Simon's 2013 focus is to replace the existing food court with an upgraded garden-inspired dining area and complete interior renovations of a portion of the north mall, which will be completed in time for this holiday season. Demolition, replacement and expansion of the original north mall that was built in the 1960s is anticipated to begin in less than a year and be completed in 2015, so that a new generation Del Amo Fashion Center opens in-conjunction with a new Nordstrom store. Simon has made preliminary presentations to several homeowners associations and intends to return to the City and community this summer with additional details. You may be intrigued to know that in March of this year FORTUNE magazine named Simon as "America's Most Admired Company" in the real estate business.

Speaking of supportive businesses, we were very fortunate to again, participate in this year's Tournament of Roses Parade with the generous donation made by ACE Clearwater Enterprises. In 2014, we will be able to celebrate our 60th year of Tournament Rose Parade participation with AYSO in conjunction with their 50th Anniversary and our partnership with them in the 2014 AYSO National Games that will be held right here in Torrance. As many of you know, I am a long-time AYSO volunteer. It gives me great pleasure to be able to host their national games in our City. The 2014 National Games is expected to include up to 500 teams for the week-long soccer tournament and festival and will generate an economic impact of as much as \$15 million. With no single venue large enough for the size of the event, we were chosen as one of the two hosts. This is a great example of how Torrance Companies can contribute to our City. The success of tournaments like AYSO's National Games depends on sponsorships. When they reach their fundraising goals and achieve a successful tournament, in return it is an achievement for the City and Business as well. Our Economic Development Office, along with our visitor's bureau - Discover Torrance and our local hotels, has been hard at work preparing the City to ensure we welcome the AYSO community with open arms. Partnering with Leadership Torrance, our leadership development and networking group that focuses on building a stronger community; Discover Torrance and the City have been working on a user friendly module that will help Torrance's Out-of-Town guests navigate through our City. It's quite an

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impressive program and they are even creating a mobile application to accompany it for our on-the-go guests. As some of you may have noticed, Discover Torrance has also adorned our streets by sponsoring banners that promote our “A little bit of everything California” City.

Also decorating our cityscape are our first, second, and third phases of the Hometown Heroes Banner Program which highlights our community’s veterans, in addition to those currently serving in the Armed Forces. In addition, banners promoting our Annual Armed Forces Day Parade and Celebration which will take place May 17th- May 19th, also line our streets. This year we will be honoring the United States Marine Corps. In our 54th year of hosting a Department of Defense sanctioned parade and celebration, and especially in these current times of sequestration; I encourage and invite you all to join us to honor our men and women of the United States Armed Forces. Take the time to say thank you to our noble citizens who day in and day out sacrifice their lives for our freedoms.

Ronald Reagan once said, “No matter how big and powerful government gets, and the many services it provides, it can never take the place of volunteers.”

I’ve always voiced the importance of volunteerism in my State of the City Address. Historically, I believe it is what has enabled us to keep our “hometown feel.” As a City, we should extend roots into different areas of the community. Organizations are the branches, and individuals are the leaves who both make possible the life of the tree and draw their form and life from it.

Through the Community Services Department alone, we have had a total of 780 volunteers who have collectively contributed in excess of 49,379 hours during this past year, and that is not even counting the numerous citizens who helped us produce such a great Centennial Year full of events. A Model Company, Alcoa is the world’s leading producer of primary and fabricated aluminum and has one of the largest corporate foundations in the U.S. This past year, the Alcoa Foundation awarded our very own Madrona Marsh with a twenty thousand dollar grant to aid in the rehabilitation of the reserve’s natural habitats. And it’s not just by financial donations that Alcoa has helped out the community. They also gathered 150 Alcoa Foundation volunteers from their Torrance location, to plant trees, paint fences, and build homes for the wild life. Alcoa employees also donated countless hours to the community; and on their own time have made a positive social impact. Our 4 Rotary Clubs, the Torrance club Del Amo club Sunrise club and my own club Lomita-Torrance Airport club, Kiwanis, Friends of the

Madrona Marsh, and Friends of the Library, all of our community groups, homeowners associations, and individuals that have made Torrance... my home, a better place to live; you are all models of volunteerism and I thank you. I thank you for your time, your effort, and your generosity.

So what can we expect in the coming year? With each passing season, we continue to blossom and bear new fruit. The City entered into an eight year agreement with the State Courts to develop the vacant property at 555 Maple into youth sports fields! This is an amazing opportunity for the City. We will be seeking partners to assist in the funding of the fields to the highest quality that our budget will allow. In sports terms that means more play hours for youth. We are currently in the design phase, and anticipate construction to begin in Summer of 2013 with expected completion in late Fall of 2013. This project alone will attract more youth sports tournaments like AYSO, to be hosted in Torrance, and overtime create additional revenue.

The Torrance Transit Park and Ride Regional Terminal that I mentioned last year is sprouting day by day. The 30% Advanced Conceptual Design has been completed and the construction project is out to bid. Additional design modifications were made to enhance the exterior design as well as create a welcoming plaza for patrons and community members. The construction of the Transit Center is expected to begin in mid 2014 with completion in 2015. When it opens, we will have connectivity in one location to all the transit companies that run in the South Bay. With our location next to the rail lines, that at some point in the future will include the METRO light rail.

Also on the horizon is the possibility of a conference center and a high end hotel. Recently, a Request for Proposal was issued for a comprehensive market feasibility study. The City has partnered with the Torrance Business Improvement District in selecting the firm. Six reputable firms submitted proposals, with a current short list of three firms. The award of contract is expected before the end of the current fiscal year with the report available in early Fall of 2013. We are doing great things in Torrance! As I’ve mentioned in my address, a great deal of our strength and resilience comes from our roots. When roots aren’t severed, they can spread nutrients that help cultivate other areas and encourage communities to thrive. Our coastal community of Southern California has done just that. Like the State flower, the California Poppies, members of our community with their successes in hand, are transported to many other parts of the world both intentionally and inadvertently. Torrance’s successes become California’s successes. California’s

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successes become our Nation's successes. So I thank you all for your part in helping Torrance succeed and thrive, for a success for us equals a success for our Nation. Thank you for joining me today, to address the state of our great City.

[Watch Mayor Scotto's Introduction Video and Live State of the City Address.](#)

